

Options for Expanding Access to Health Care for the Uninsured

**A Review of State and
Community Approaches**

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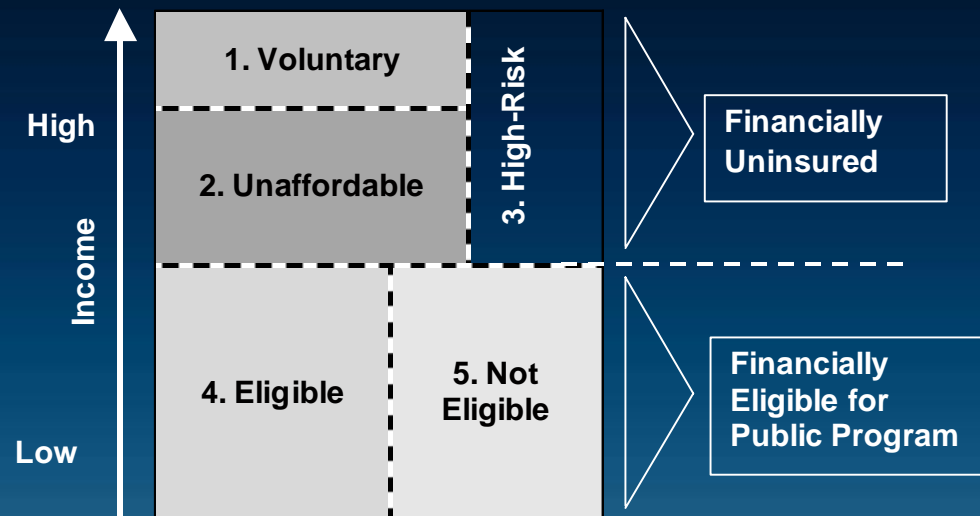
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Three Questions to Answer When Considering Coverage Expansions

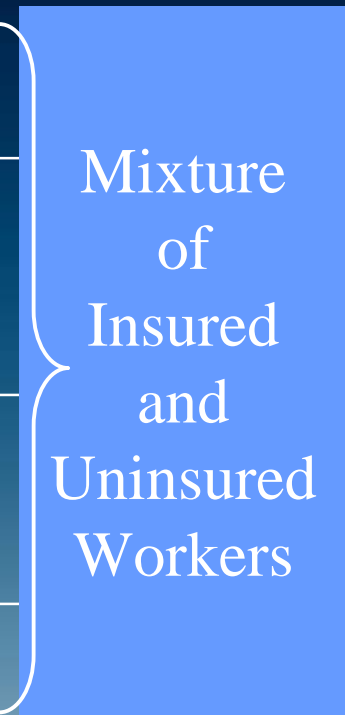
- **Who to cover?**
- **What type of approach?**
- **How to finance the coverage?**

Who To Cover?

Different Approaches for Different Uninsured



Different Approaches for Different Types of Employers

Firm Size	Decision-making	Workforce
Micro (2 employees)	No HR staff; not a member of Chamber; may use a broker	
Very Small (10 employees)	No HR staff; may belong to Chamber; likely uses a broker	
Small (26 employees)	Part-time HR staff; belongs to Chamber; likely uses a broker	
Not Small (50 employees+)	HR staff; offers coverage; worries about premium escalation	

A Typology of Coverage Approaches

- **Modify the market in which coverage is offered**
- **Subsidize market-based coverage**
- **Provide direct public coverage**
- **Provide new mechanisms for accessing care**

What Is Idaho Doing Now?

- **Modify the market:**
 - Coverage Mandatory for College Students
 - Voluntary Reinsurance for Small Employer Market
 - Increase Age of Dependency
- **Subsidize market-based coverage:**
 - Several Small Premium Assistance Programs
 - High Risk Pool

What Is Idaho Doing Now? (continued)

- **Direct Public Coverage:**
 - Kids covered up to 185% FPL
- **New Mechanisms for Accessing Care:**
 - School Based Health Services Initiative
 - County Indigent and State Catastrophic Programs
 - State funded grants to Community Health Centers

Modify the Market in Which Coverage Is Offered

- **Limited Benefit Plans**
- **Mini-COBRA**
- **Increase the Age of Dependency**
- **Buy-in to State Health Plan**
- **Small Employer Purchasing Pools**
- **Insurance Exchange or “Connector”**

Insurance Exchange or “Connector”

- **Centralizes health insurance purchasing transactions**
- **Provides a forum for other innovations. In Massachusetts:**
 - Employers required to offer connector (but not contribute)
 - All employees can pay premiums pre-tax
 - Increases portability of coverage
 - Administers premium subsidies
- **Massachusetts has implemented; Utah, Oregon and others are considering.**

Subsidize Market Based Coverage

Difficulty affording premiums is the most common reason given for being uninsured.

- Subsidies can lower the cost for the employer, the individual or both
- Subsidies can be prospective, retrospective or embedded in the apparent price of the premium

Subsidies Can Be Combined With Other Strategies

- **Healthy New York: Subsidy + pools together individuals and small groups + modest benefit**
- **Insure Montana: Subsidy + small employer pool**
- **Muskegon Three Share: Subsidy + donated care + limited benefit**

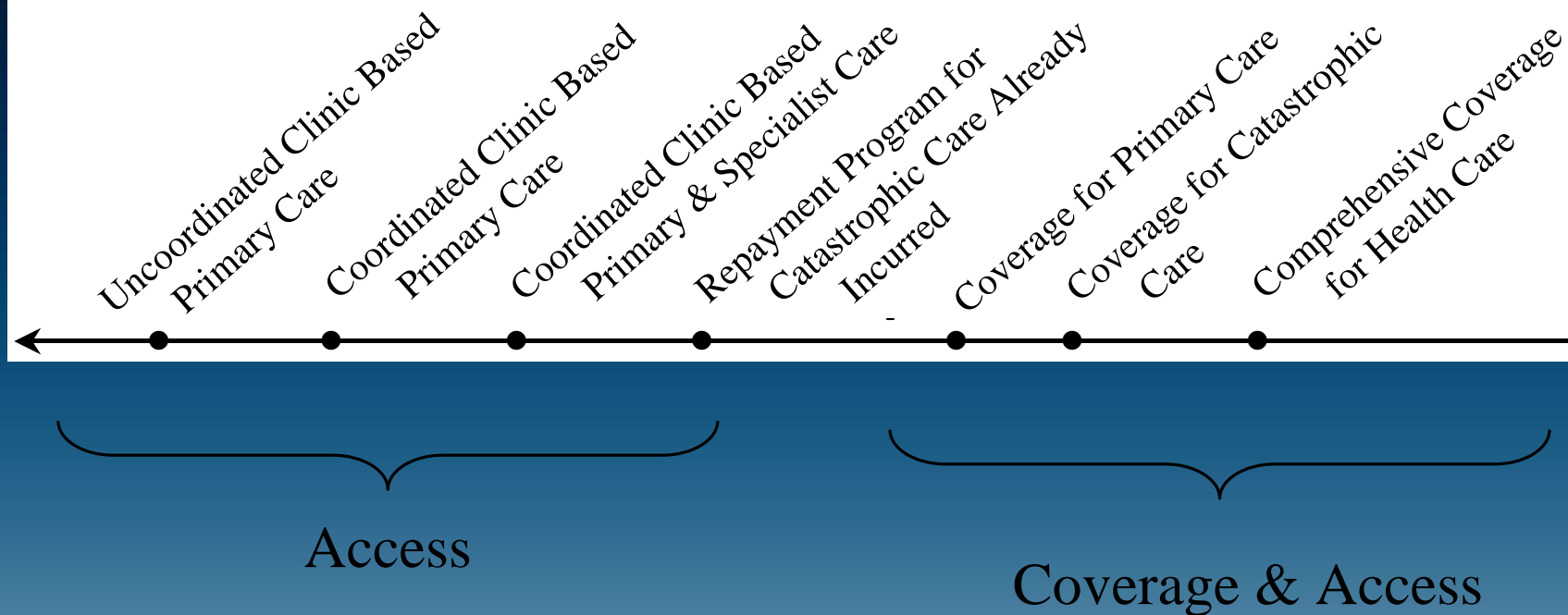
Insure Montana Purchasing Pool

- **Eligible Businesses:**
 - Non-offering
 - Small (2 to 9 employees)
 - All employees earn less than \$75,000 per year
- **Subsidies:**
 - Employers
 - Employees
- **Enrollment:** 5,000 employees (capped until additional funding can be found)

Direct Public Coverage

- **Boost enrollment among eligibles**
- **Expand eligibility:**
 - All Kids program (IL, PA, TN)
 - Parents
 - Childless adults (ME, PA, WA, UT)
- **Federal match often available**

Access to Care has a Continuum



Idaho Adults Who Avoided Going to The Doctor Due to Cost

	All Adults	Adults with a Health Plan	Adults without a Health Plan
< \$15,000	34%	26%	42%
\$15,000-\$24,999	31%	23%	40%
\$25,000-\$34,999	23%	17%	36%
\$35,000-\$49,999	17%	14%	34%
\$50,000+	5%	4%	26%
Total	17%	11%	36%

Source: 2005 BRFSS data for nonelderly adults in Idaho.

Ingham Health Plan, MI

(brokered access to discounted care)

- **Discounted primary care services at plan locations**
- **Services at other sites if authorized by providers**
- **No inpatient care**
- **Eligibility:**
 - **County residents**
 - **Income less than 250% FPL**
- **Enrollment:**
 - **17,000 members (50 percent of all uninsured people in Ingham county)**

Comprehensive Reforms

	Individual Mandate	Employer Mandate	Public Program Expansion	Subsidies for Market- Based Coverage
Maine (2003)			✓	✓
Massachusetts (2006)	✓	✓	✓	✓
Vermont (2006)		✓	✓	✓

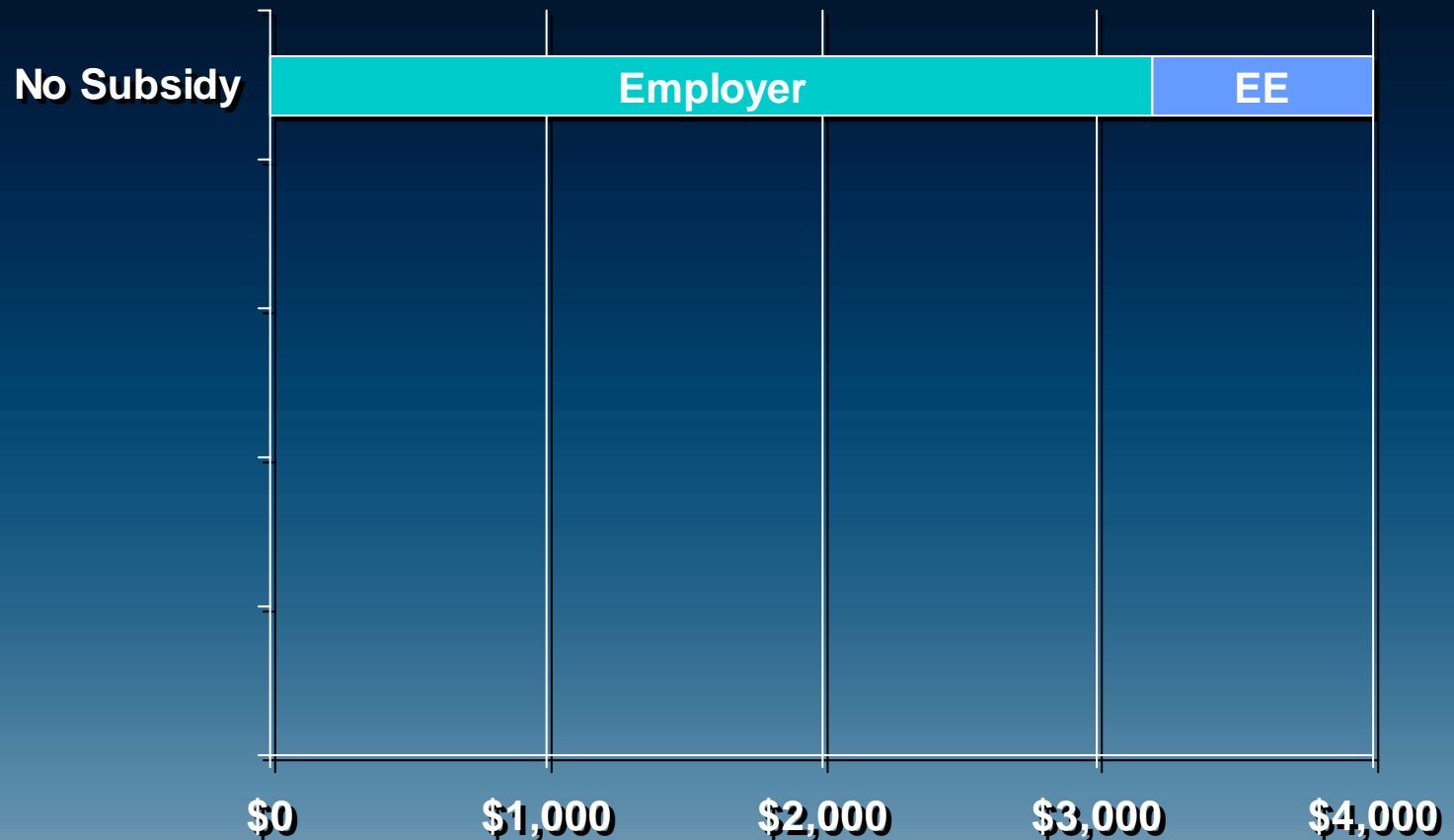
Approaches to Funding

- **Federal:**
 - Medicaid and SCHIP matching funds
 - Disproportionate share hospital (DSH) funds,
 - Community health center (CHC) grants
 - High-risk pool subsidies
- **State:**
 - Tobacco settlement funds
 - “Sin” taxes
 - Insurer assessments
 - General revenues/tax expenditures

Approaches to Funding (continued)

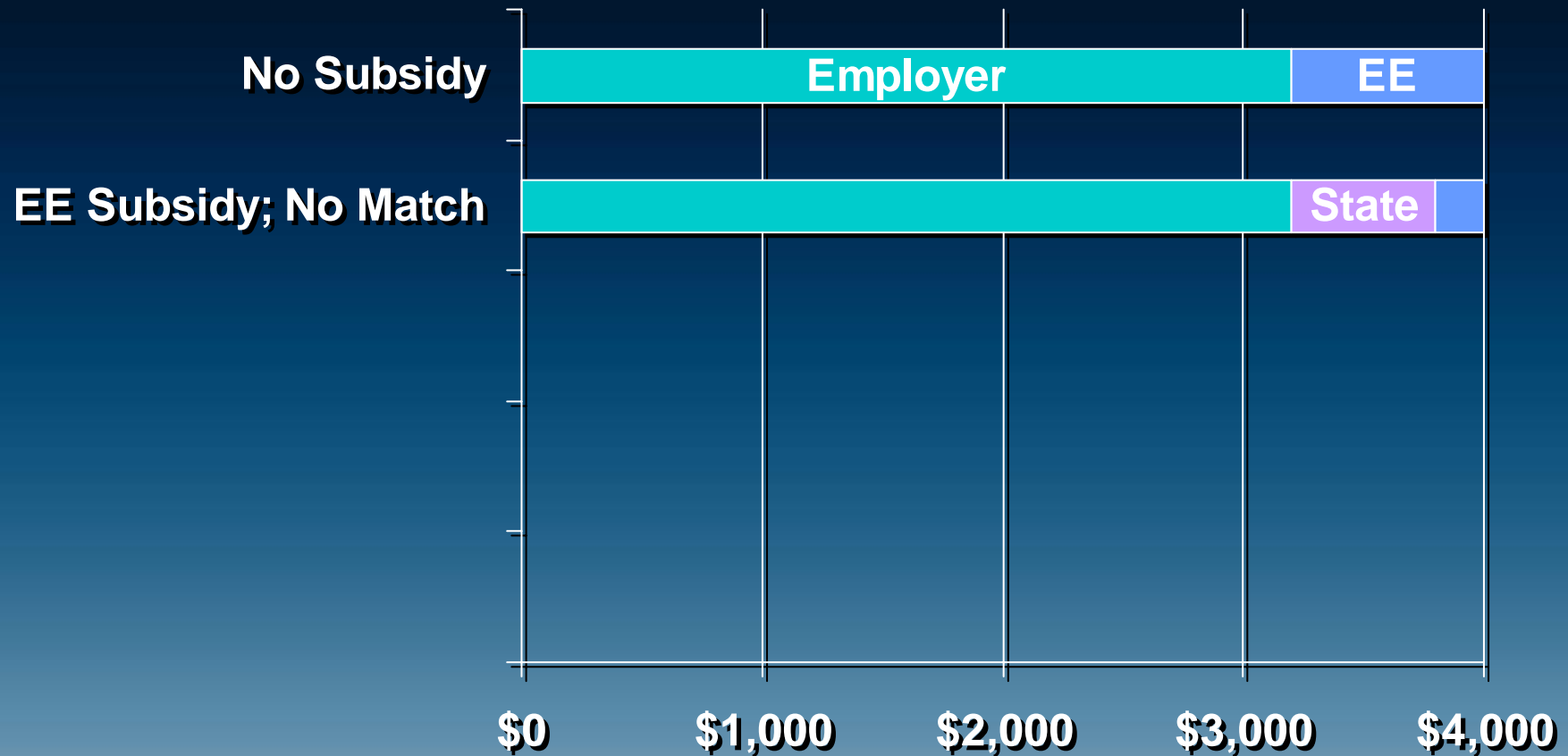
- **Other:**
 - New employer contributions
 - Provider discounts and donated care

Illustration of Employer Role in Financing: Who Pays the Premium?



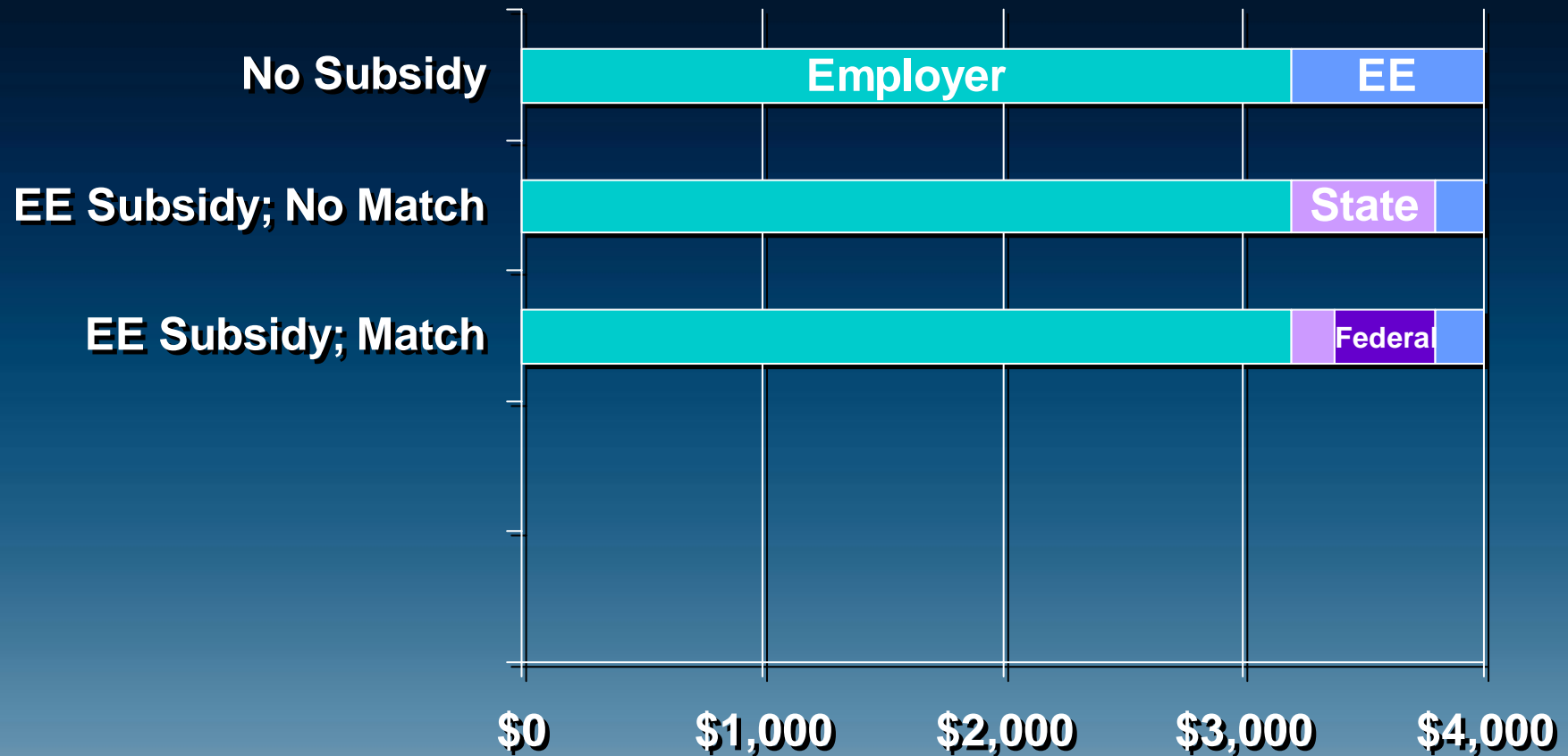
EE=Employee Share of Premium

Illustration of Financing Options: Who Pays the Premium?



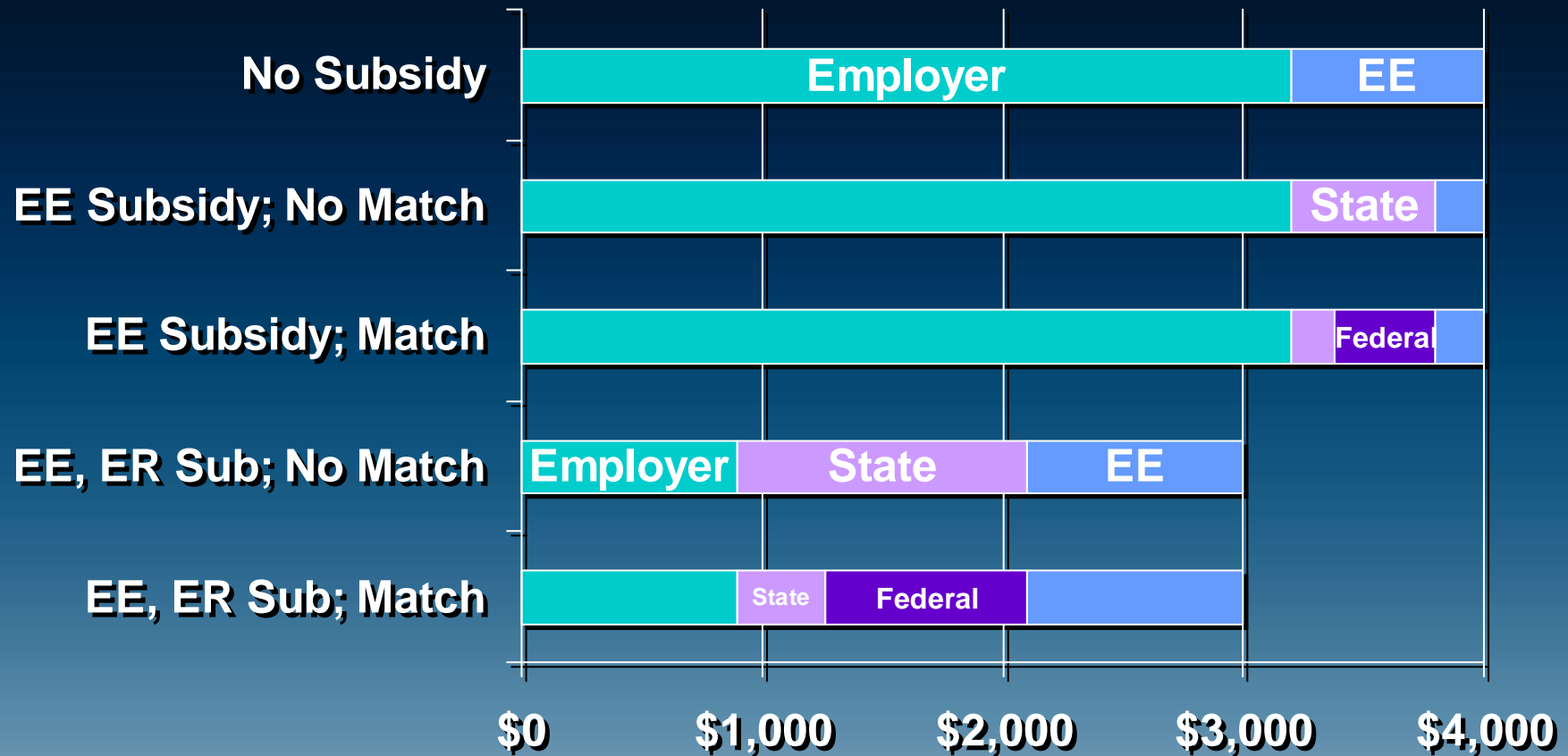
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Illustration of Financing Options: Who Pays the Premium?



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Next Steps for Idaho

- **Incorporate results from other research efforts:**
 - SHADAC study of current Idaho spending on health care
 - Northern Idaho “three share” feasibility study
 - Refinements to the Premium Assistance Programs
- **Identify potential coverage strategies**
- **Study similar programs in more detail**

New Coverage Options Should Be Part of a Comprehensive State Vision

- **Clearly articulated policy goals**
- **Data collection and reporting to support policy goals**
- **Complementary strategies to address health care cost escalation**
- **Complementary strategies to ensure adequate access to providers**

Thank you

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